

**OPINION
60-279**

April 22, 1960 (OPINION)

TAXATION

RE: Tax Levies and Limitations - Tax Levy for Building

Fund in School Districts

Re: Section 57-1516 of the 1957 Supplement to the N.D.R.C. of 1943

We have received your letter of April 13, 1960, with reference to the above statute.

The facts you state to be as follows: Hannaford Special School District was reorganized and became operative on July 1, 1959. The old Hannaford District had debts in the amount of eighty thousand dollars, forty thousand dollars was a bonded indebtedness which was assumed by the entire new district, the other forty thousand dollars was a debt to the School Construction Fund which is being retired by a ten mill building fund levy in the old Hannaford District.

Your question then is whether a building fund levy may now be spread on the entire district if same is approved by sixty percent of the voters in a duly held election as provided by the above statute.

It is my opinion that the new district could hold an election for the establishment of and a levy for a school building fund and if approved, such levy could be spread. However, the old Hannaford District since it is already levying the maximum ten mills for that purpose and the taxes raised by such levy are pledged to pay the rental agreement with the School Construction Fund would not be subject to any additional levy for building fund purposes. We believe the electors in the entire new district including those in the area of the old Hannaford District are entitled to vote on the proposition.

LESLIE R. BURGUM

Attorney General